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ABSTRACT

In developing countries, the informal sector with its modest but resourceful trading activities is increasingly expanding. Broadly speaking, management is weak in this sector, and basic management training is needed. To make management training valid in the informal sector, time planning, the active participation of the beneficiaries in the needs analysis, and integration of training with other types of support are necessary. Results of a case study of five pilot seminars show that management training in the informal sector is possible. A set of 80-90 pedagogical drawings for an overhead projector has been successfully tested at those seminars. The color drawings convey very simple management messages on women involved in income-generating activities in the informal sector. A trainer's manual is used with the drawings. An analysis of the costs of the seminars indicates that the average cost per participant is reasonable--$30. A weakness of the seminars has been evaluation. Future seminars should study turnover, profits, and employment. (YLB)

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Discussion Paper No. 33E

MANAGEMENT TRAINING IN THE INFORMAL SECTOR:

DOES IT PAY?

by Daniel Bas

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MANAGEMENT TRAINING IN THE INFORMAL SECTOR:

DOES IT PAY?

(Reflections based on a case study)

by Daniel Bas

INTRODUCTION

The demographic explosion, the exodus from rural areas, the massive dismissal of personnel in the public sector, wars and the resulting millions of displaced persons - these are some of the causes behind the increasing expansion of the informal sector with its modest but resourceful trading activities in a world where survival is all that matters. In most of the cities in developing countries, these activities now embrace at least 50 per cent of the workforce, characterized to a large extent by women and young people. For the most part, self-employed workers and micro-enterprises stagnate in this environment due to the problem of getting access to raw materials, finding market outlets, obtaining bank credits, not to mention the indifference or interference by the authorities. Broadly speaking, management is weak in this sector and it is conceivable that basic management training could, at least to some degree, fill the gap in this precarious world.

This question is however open to argument. The purpose of this paper is to discuss the various conflicting views on the subject by seeking the answers to three basic questions: is management training in the informal sector desirable? If so, is it possible and how? And finally, is it efficient and what is the cost/benefit ratio? The last two points will be examined on the basis of a case study.

My sincere thanks must go to my colleague Irmgard NUBLER whose constructive criticism made it possible for me to reach a conclusion which has a potential for the future and to envisage a second stage for an extended version of this study.

Illustrations by Mrs. Pascale Bas-Legay.

I. IS MANAGEMENT TRAINING IN THE INFORMAL SECTOR DESIRABLE?

There are, both on the supply and demand side, many doubts on the validity of a special training effort in the informal sector.

1.1 On the demand side

On the demand side there is considerable scepticism as to management training. Moreover, does the demand exist? Workers and micro-enterprises in the informal sector do not appear to express any need for training. In practice, they do not realize the need and deny its advantages, at least initially. The question of credit, for example, represents a much more urgent factor. Two market studies conducted in Santiago, Chile[1,2] illustrate this attitude: only 7% of the self-employed workers interrogated agreed that training was a priority problem. Of the micro-enterprises, 54% expressed a favourable attitude towards technical courses, but only 40% supported the idea of management training. They were more positive on the question of training their employees (78% in favour) but only 4% of the workers themselves accepted the idea of training without stipulating conditions.

It is true that 80% of the employees stated they were prepared to follow courses under certain conditions. Their principal conditions could be useful in terms of elaborating policies and programmes: they expect the courses to lead to a recognized certificate; to take place at a time and in a place which does not interrupt work; to be free of charge and without any drop in wages; to be short in duration.

Interesting also is a study of a project which aims at assisting handicraft workers in the non-formal sector in Kigali (the KORA project).[3,4] It is a time-related longitudinal study which reveals gradual positive attitude to training as soon as more pressing problems are resolved. A study of the initial comments given by the handicraft workers makes it possible to classify their concerns according to the number of times they emerged in the discussions (i.e. their frequency). Of the 919 recorded "frequencies", 80% concerned four major problems which stood out clearly from all others:

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1 PREALC: *Necesidades de capacitación de los trabajadores por cuenta propria en Santiago* (Santiago, 1980).

2 O. Corvalán-Vasquez: *Empleo y capacitación en los talleres informales de Santiago*. Estudios y monografiás No. 67 (Montevideo, CINTERFOR, 1984).

3 A. Bampara: *A l'écoute des artisans du secteur informel urbain de Kigali. Résultats d'une recherche-action participative* (Geneva, ILO 1986). (The voice of artisans in the urban informal sector. Results of participatory action-research).

4 ILO/WEP: *Rapport de la rencontre inter-artisans, africains, Kigali, février 1986* (Geneva, 1986). (Report on the inter-artisan African meeting, Kigali, February 1986).

financial problems (27% frequency), institutional problems (22%), the organisation and function of an association (19%), and basic infrastructure and equipment (12%). Training was number 7 in the priority list with a frequency rate of 4.4%.

Seven months later, in February 1984, a fresh investigation among the same artisanal workers posed the following question: "in which areas would you like to have more support by the project? List three of your main concerns". Here are the results of the analysis:

Acquisition of a suitable recognized workplace	64%
Acquisition of basic tools	47%
Training	33%
Financial support	31%
Official recognition of legal documents	31%
Organisation of the association	8%

The pattern is very characteristic. It suggests that an *ex ante* analysis of training needs by external investigation sources would have led inevitably to a disaster. In the informal sector, an analysis of training needs must be conducted through action, in the context of action, and with the active participation of the beneficiaries, as well as being time-related and linked to a study of other problems and needs.

Classical methods of assessing training needs are often inapplicable to the informal sector: interviews, questionnaires and tests are hardly feasible among mobile people of low literacy level. Their results are also to be treated very cautiously. A first approach on training needs in the informal sector can be made through "key informants.[5] There are those who by virtue of their profession, residence or personal interests have special knowledge of the current and future needs in the sector, as for example local administrators, extension services officers, social workers, churchmen, school headmasters, NGO volunteers, etc. Their expert opinions can pave the way for future action.

The practice of group auto-diagnosis-makes it possible to start with the problems experienced at the workplace rather than with the needs. The participants expect solutions to their problems. A group situation certainly enables them to identify their own difficulties through the problems voiced by others. Here the trainer or consultant must function as a catalyst and facilitator. His role is to listen to the group and help it clarify and express its needs.

Applying appropriate methods for analysing needs, linking training to other problems and needs and taking into account the time factor, lead to two complementary conclusions: first, training is not the magic answer to every problem and, generally speaking, it is not desirable alone or immediately. Second, if the time is right and if it is combined with other support measures such as granting credits and counselling, training -particularly management training- is viewed by workers in the informal sector as eminently desirable. There is in fact a very pronounced demand for it. The KORA project mentioned above illustrates this fact. Moreover, develop-

5 L. Richter: *Training needs assessment and monitoring* (Geneva, ILO, 1986).

ment projects for women reveal that these two conclusions are widely relevant to them.

In this context, the situation of women is very characteristic. At the end of their gruelling 16 or 17-hour working days, let us imagine a single-minded trainer, impatient to show off his know-how, introducing himself to the exhausted women in these terms: "and now ladies, I am going to give you a training session for an hour or two....", or "I am going to interview you in order to analyse your needs....". The eager trainer would be better off if he first devoted his energies to easing their domestic burdens by introducing these women to simple technological devices. Training will come later when the need for it is felt and the demand for it is expressed, if only to learn how to handle their new gadgets and use their extra free time for income-generating activities. The UNDP/ILO/ Sene- galese Ministry of Social Affairs project "Pre-cooperative groups of women in rural areas" is an illustration of the case in point. This project (SEN/82/004), with the assistance of the United Nations Equipment Fund (UNEF), began by equipping villages with millet grinding machines which enabled women to devote themselves to new activities, specifically the cultivation of market garden produce. The maintenance, depreciation and profitability of the grinders soon led to a need for management training as did the transport and marketing of the market garden produce.

1.2 On the offer side

Many economists, political decision makers, directors of institutions or trainers, consultants and researchers reject training in general and management training in particular as an important element in the policies and cooperation programmes in the informal sector. According to this kind of sceptical and hostile people, the priority in the informal sector should be given to credits, markets, supply and facilitating the setting up of associations and cooperatives. Training has its place if it follows the pattern familiar in the modern sector and allows the best elements of the informal sector to integrate into the mainstream of the formal sector.

Failing this, it is not really desirable, the principal arguments advanced being the following:

The first argument relates to macro-economics. It maintains that the informal worker or micro-entrepreneur with further training will step into the shoes of a less qualified worker. The results might be the following:

- higher qualified unemployed workers , but still as many of them as before
- a raising of the general standard of competence of workers already employed, but no increase in the number of employed persons
- the informal sector will absorb more workers, but at the price of reduced income per capita.

In each of the three hypotheses, the result is no better than blowing bubbles in the air although the equalizing of the burden of unemployment and under-employment resulting from the third hypothesis could have interesting social consequences.

These somewhat disturbing considerations lead to the conclusion that each segment of the informal sector must be the target of specific analysis and of different treatment. Not all the activities in the informal sector have development potential. It is essential to make a diagnosis, give training a different role in each case, take advantage of all the possibilities of manpower transfer to the modern sector and help in expanding the economic scope of

the informal sector through improving quality, competitiveness and sub-contracting opportunities.

In Brazil, for example, five different segments in the informal sector were identified: self-employed workers, family production units, micro-enterprises, artisans and domestic workers. The offer is different in each sector. SINE (National employment system) is the institution supporting self-employed workers; CEBRAE (Brazilian Centre for Support to Enterprises) plays this role for micro-enterprises (the PROMICRO project) etc. The kind of assistance and training content also vary widely. In the first case, the institution's main role is that of an intermediary between self-employed workers and potential clients for their services through the setting up of employment agencies and by assisting through training and counselling in the establishment of associations and cooperatives. In the second case, which relates to micro-enterprises, the main focus is on training and consulting in management.

Some macro-economists are highly vociferous about the cost to the nation of promoting the informal sector, in order to justify their hostility to the concept. As opposed to this point of view, a number of positive factors can be mentioned: savings on imports, the creation of jobs, cheap products and services to ease living conditions for low income consumers. In conclusion the merits of training opportunities tailored to the different segments of the informal sector are obvious.

Alongside these macro-economic arguments, the validity of efforts to provide training in the informal sector is also questioned at the level of institutional offer: heads of training, research and consulting institutions, generally show little enthusiasm for the idea, given that their image might be tarnished on account of the unglamorous character of this new activity. Moreover, the economic perspectives are far from attractive: who will foot the bill for these highly welfare-oriented activities? The State? The latter is taking its distance more or less everywhere. The micro-entrepreneurs? They are chronically low on funds. As to the employers' and workers' organisations, (whose representatives are often members of the tripartite Board of Directors of the training institutions), they naturally tend to favour those who can pay their fees, that is to say the employers and workers in the modern sector. In addition, the large enterprises, alone in their capacity to finance the training taxes now underway in an increasing number of developing countries, are obviously unwilling to provide the funds for training of competitors which, in their eyes, are anarchic and unfair. As regards the technical cooperation agencies, a vital element of the training offer, despite their protestations, they are lukewarm to the idea - that is putting it mildly - either because they are selfish (many "bilaterals" hope for economic returns as a result of technical cooperation, especially in the form of tied contracts which are easier to obtain in the modern sector), or because they are not really competent. (Hence their tendency to "conceptualize" and lose themselves in sophisticated research projects which are less studies of the needs of the South than a need for such studies in the North.)

But there are still proactive institutions, organisations and cooperation agencies which, dedicated to their ultimate social objective, are willing to venture into the realm of serving the informal sector. A refreshing example of a coordinated approach to the question is to be found in Columbia. The "National Plan for the Development of Micro-enterprises" has been given an operational structure in the form of a National Board of Evaluation, under the Ministry of Planning. All the stakeholders are represented on this Board, including the national system for

training (SENA), private foundations such as the CARVAJAL Foundation and various financial institutions. The Board has made a very positive impact. It is a meeting place for those who for long have closed their eyes to the situation and has established an effective information network, besides promoting unified policies and methodological criteria. It has also led to better coordination between training and advisory activities as well as matters relating to credit, to such an extent, that SENA certificates and diplomas are now a prerequisite for obtaining credit. In addition, the Board is well on the way to standardizing pedagogical material.

In Venezuela, the INCE (National Institute for the Coordination of Education), after its solitary appearance on the scene in the informal sector with a programme for vocational training (PHO: Programa de Habilitación Occupacional), opted finally to operate through the Catholic Church and to support it by way of methodological aid. Possibly an admission of failure and incapacity? Or rather a wise decision since training in the informal sector does not necessarily fit into the pattern of a State institution. The churches, NGO's and private foundations arouse less mistrust and timidity and provide a more complete range of services (credit, culture, leisure activities, literacy, social education, health, civic and household guidance) in addition to conveying the moral virtues of saving, honesty and individual responsibility conducive to the conduct of sound business. They also encourage the participation of the beneficiaries in the design and implementation of integrated projects, whereas civil servants are often biased by their top-down patronising, mono-disciplinary, rigid and inherently administrative attitude.

In Africa as well, certain pro-active institutions have understood that it is advisable to offer training in the informal sector provided that it is coordinated with other like-minded institutions and organisations. A notable example is the Centre Ivoirien de Gestion des Entreprises (CIGE) at Abidjan (The Ivory Coast Centre for Enterprise Management), and CEPETEDE (Centre de Perfectionnement en Technique de Développement) in Kinshasa (Further Training Centre for Development), as well as the Pan-African Institute for Development (PAID). They all collaborate closely with NGO's, with banks or extension services. In addition, the Management Development Institute (MDI) at Banjul launched a management training programme in 1988 for the informal sector in close cooperation with workers' and employers' organisations. In Mauritius, employers play a major role in promoting management training tailored to the needs of small entrepreneurs. These are just a few examples among others.

Coming down to the level of individual offer, teachers, trainers, experts, volunteers and researchers are often reluctant as well as badly prepared - to communicate with a public whose level of literacy is low and whose culture does not conform to the preconceived models they are accustomed to deal with. They see little opportunity in this sector for their own professional development or career advancement or for acquiring new scientific knowledge in their particular field. They are sceptical about teaching management to hawkers, pedlars, car washers, women selling loincloths or chicken. Overly sensitive about forms, due to their education, they seldom see any point in plunging into the informal world.

And yet those who have avoided contact with the informal sector are unaware of the remarkable opportunity they have missed and the advantages they could have derived from such an experience, specifically in terms of pedagogical aptitudes and multidisciplinary skills. It is of course a challenge to convey the notions of amortization and break-even point to illiterate people, obviously more difficult than ex-

plaining them to university graduates! It is also a challenge to train people who immediately apply in practice what they have just learned and to get an instant feedback on the practical value of the instruction. It is also a challenge for an expert with a special pride in his chosen field to reply to a barrage of questions on other subjects, since everything at this level is integrated. The marketing specialist cannot evade questions on book-keeping or even on construction, cattle breeding or health... And finally, why miss the pleasure, the human warmth and the gratitude of those who know how to appreciate and reward work well done in a fraternal atmosphere?

Yes indeed, even at the individual level, it is desirable to train workers and entrepreneurs in the informal sector. But, is it possible?

II. MANAGEMENT TRAINING IN THE INFORMAL SECTOR: IS IT POSSIBLE?

Case Study

In the preceding section, we have already identified some of the prerequisites for making management training valid in the informal sector. In particular, we have stressed the need for the time factor and the active participation of the beneficiaries in the analysis of needs as well as the necessity to integrate training with other types of support. We have also insisted on the importance of different treatment according to the various segments of the informal sector. And we have suggested the indispensable need for a new profile of trainer-consultant to gain access to this sector.[6] *As one of the artisans of the Kora project in Kigali said "....they should be ready to listen and drop their superior attitude. Those who act as if they knew it all will only meet with failure and rejection".*

In these circumstances, management training in the informal sector is certainly possible and, moreover, it is a continuing process. But how and with what results? Here we present the case of five pilot-seminars for self-employed women in the informal sector conducted by the ILO in Africa, based on the use of an overhead projector to show drawings on transparencies.

2.1 Methods

Above all, it is important to bear in mind that much of the population involved is totally or partially illiterate. Thus management training often goes hand in hand with functional literacy. Not of the type to be able to read Shakespeare, Victor Hugo, Cervantes or Camöens, but one linked to the needs of daily working operations: knowing how to read the dial of a weighing machine to avoid being cheated in business or being able to calculate the cost per mile of a drive, etc.

For such people, drawings are a basic pedagogical tool. On five occasions, the ILO has successfully tested a set of 80 to 90 pedagogical drawings in colour[7] designed to convey very simple management messages with the aid of an overhead projector, on women involved in income-generating activities in the informal sector. The seminars took place at Malabo (Equatorial Guinea) in 1983, at .Bangui (Central African Republic) in 1984, at Libreville (Gabon) in 1985, at Banjul (Gambia) and Abidjan (Côte d'Ivoire) in 1988. A "trainers' manual" is used with the drawings.

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6 See D. Bas: *Les Contes de ma mère l'OIT* to be published by the ILO in 1989, and particularly following tales: *Marie-Louise and the management of stocks; Empty stomachs have no ears; It is a gift; My dear Daniel, you have not changed; Very good point; Study of needs or need for studies; Information, meaning and context; Kitagoma, the Minister who climbs, stumbles and stands up again; Once again a strange bird; The two cultures; The ethos of vocational training.*

7 See Daniel and Pascale Bas: "Pour une meilleure gestion dans le secteur informel en Afrique: dessins pédagogiques et mode d'emploi". (Towards better management in the informal sector in Africa: pedagogical drawings and directions for use). To be published by the ILO in 1989.

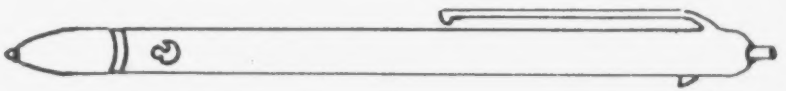
With each drawing, the animator asks the participants to describe what they see, allows them to express themselves freely and, based on these reactions, evaluates their problems and needs. He then follows up with explanations in order to facilitate discussion.

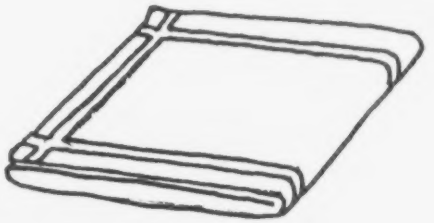
Reporting on the seminar at Abidjan, journalist Ladji Sidibé makes the following comments in the newspaper "Fraternité Matin" of 26 June 1988 on the working climate within the group: "The instruction is both practical and theoretical and is at all times followed by discussions with the participants. We had the opportunity to take part in one of these give-and-take meetings during which the teacher himself plays the role of a pupil, a listener instead of an instructor. For one hour we were thus able to assemble a mass of information on what motivates the various participants and why they chose their particular field of activity...." By the way this graphic report also raises the question of needs assessment which has already been mentioned previously: what classic, external and prior to action method would enable such a harvest of information to be gathered in one hour?

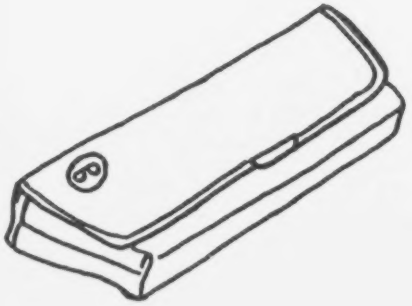
The drawings usually depict local street scenes, market places, the African workshop, thus giving them strong credibility and making it possible for the participants to identify themselves with the pictures easily. And to give them an even more marked African flavour, many changes have been made in the drawings at the suggestion of the participants during the five test seminars. And that is not all. There are entirely new drawings made on the basis of ideas put forward by the participants or following spontaneous play roles improvised by them during the seminar.

In giving expression to their perception of the drawings, the Africans manage to simulate the graphic scenes portrayed in the drawings and to translate them into body expression or dancing. Training experiments in the informal sector and rural areas of Africa have been conducted through the theatre (for example, a vaccination campaign carried out in the Sudan by the Red Cross in 1986). They deserve to be better known and evaluated. The beneficiaries of the training are the actors, decorators, producers, etc., all rolled into one. This method is an effective combination of sound, colour and movement and enables the trainer to learn the maximum while teaching the audience as well as to receive an immediate feed-back, hardly possible with television and radio. No need to go this far, but some of the drawings used under the ILO method have led to the creation of extremely entertaining playlets which clearly demonstrate how well the group has understood the concepts transmitted by the drawings, as well as to the production of new drawings, thus giving added impact to this pedagogical tool. The reader will appreciate this more clearly from the illustrations (see 1 and 2).

As an introduction to the "Marketing" theme, one of the drawings depicts a scene which was actually witnessed on the streets of Bujumbura (Burundi) in 1983. A hawker selling combs approaches a tourist who waves him off and makes it clear he needs nothing. The merchant insists and starts to bargain in a harsh way: "A comb for 1,000 francs.. 900 francs... 1600 francs for two...what will you pay? 2000 francs for three... a real giveaway" (it should be noted that at this point the participants usually stand up and mimic the scene). But both the participants and the hawker miss the essential point. The potential client is completely bald! People without hair are hardly the best market for selling combs. This is where the animator can seize his opportunity by introducing the idea of adequation, of matching the product to the market. He gives and takes examples and then switches to the techniques of market research. Then the concept of marketing







becomes clear and simple to the participants: "To be marketing minded is not to sell combs to bald men". At Banjul, this lesson became so obvious that the audience took advantage of the coffee break to invent a playlet which bound the group together in mirth and laughter. They improvised disguises and simulated a scene in which a seller of brassieres offers his merchandise to a pious old mullah about to tell his beads! Thus the ILO manual was able to add another drawing to illustrate a fresh example of inadequation invented by the group.

This is a timely moment to say a word or two on a vital aid in the pedagogical arsenal: laughter. In the evaluation of the five seminars, the same comments occured time and again: "The relaxed atmosphere made it easy to take in the lessons", "It was not boring", "The time went by too quickly", etc. Workers in the informal sector are frequently drop outs from the educational system, and this has scarred their memories. Initially, they are very tense, raising such questions as "shall we have to write? Go to the blackboard?" The psychological strain of training is very heavy for them. The fear of appearing to be stupid, of being punished or shut in are all important factors in their mental blockage. Nothing can be better in relaxing them than a bit of humour. Doctors familiar with the beneficial effects of laughter on the psychic and mental state of human beings will be the first to agree with this, not to mention the psychosociologists. The sociologist Bales, in his famous "Bales categories" dealing with observations on group inter-actions gives humour a prominent place in positive socio-emotional responses as a way of stimulating dialogue and achieving agreement and reaching decisions. His category number 2 is in fact called "relaxation: tries to reduce tension, makes jokes, laughs and says he is satisfied".

In a similar vein, it must be recognized that this type of audience is not accustomed to remain seated for long. It is essential to find ways of making these people move around to avoid putting them to sleep. In this connection, simulation games are very effective. And, of course, there is no doubt that it is easier to hold their attention if the local African languages are used. In Malabo, the question of translating the training manual into Fang came up. In Banjul, this matter was taken further when the local trainers, after two days of discussion in English, themselves decided to give their instruction in Wolof, to the immense pleasure of the participants who, in their evaluation, stated: "This is good technical cooperation. ILO should refresh our trainers on methods and contents and local trainers should follow-up with women in Wolof".

The presence of the animator occasionally eliminates the risk of the drawings being misunderstood. At Malabo for example, the trainer noticed that there was a good deal of excitement at the back of the room. The transparency he was discussing introduced the question of presenting goods: "No matter how modest your display may be, be sure that it is clean and orderly and give prominence to those articles which bring in the best profit. Give them the priority they deserve". Such was the gist of the message to be conveyed. In professional jargon this would be defined as merchandising. The drawing portrayed bottles in front and canned food behind, simply by way of example and without mention of the contents or brand names. The trainer managed to get a translation from Fang on the reasons for the commotion at the back of the room. "The animator really has a point. It's alcohol that makes the best profit..." said these busybodies. In the event of distance learning, this distorted interpretation of the message could have had disastrous consequences which was not exactly the object of the exercise.

Simple as they are from the technical point of view, the methods used presuppose that at least electric current is available. At Malabo, it was impossible to use the overhead projector due to lack of electricity. Fortunately, the trainer was in possession of a plentiful supply of photocopies of the drawings and those interested in doing this job would be well advised to follow this example. It is true that the advantage of colour is lost in these circumstances but the work can still be done. Future trainers should also bear in mind the bad climatic conditions and the lack of facilities for storing and conservation in most tropical countries. Large drawings with plastic resistant backing, easy to roll up and carry under the arm are to be recommended. Five years later it is impossible to find a single copy of the drawings in Malabo. They have been burned up by the sun, eaten away by ants or chewed up by cockroaches....

Despite all its imperfections, graphic material has been the main novel feature of these seminars. And in the five evaluations, it has been highly commended and found to be a powerful vehicle for helping to put across messages which at times can be delicate. And what exactly were these messages? To answer this, let us now concentrate on the contents of the training programmes.

2.2 The contents

Purists will probably insist on seeing the needs assessment instruments which were used as a basis to elaborate the programme. Show us the questionnaire used in the survey and the interview guide! How was the sample made up and what were the initial assumptions, etc.? Frankly speaking, none of this is available. An amateurish approach by dreamers you might say? The work of an artist? Yes indeed, if you may consider as serious the scheme worked out by so many distinguished researchers (i.e. circulating questionnaires of more than 100 questions in largely illiterate sectors of the population!). Yes indeed, if you accept the rationalist argument that intelligent practice is bound to be an application of good previous theoretical knowledge which has a compulsory priority. No, if you give full recognition to "reflection-in-action"[8] which reverses the order of priorities: first go into action, reflect during and immediately after action and then reassess the programme. It is possible to think while acting, to learn while doing by interacting with the situation. Initiation rites and methodological catechism can lead to abuses[9]. Practitioners often know a great deal more than they can articulate and explain. But their experience and intuition, added to that of other informants, lead to tests which can result in pleasant and promising surprises or, conversely, disappointments and frustrations. The response is "reflection-in-action" and proceeding from an existing situation to a step-by-step improvement.

With regard to our five pilot-seminars (Malabo, Bangui, Libreville, Banjul and Abidjan) the starting point was a trial product based on the theme of marketing. Market studies and sales techniques were intrinsically the main element. Financial questions were also dealt with from the viewpoints of price setting and break-even threshold. The reaction of the group was immediate. There's no point in talking about management techniques head-on without first dealing with the constraints of the cultural environment and, in particular, the burden of family and friends

8 See Donald A. Schön: *The reflective practitioner. How professionals think in action* (New York, Basic Books Inc., 1982).

9 See C. Moura de Castro: *A ortodoxia metodologica nas cincias sociais - Comunicacao V* (Rio de Janeiro, IPEA, June 1972)..

who often expect unlimited credit and show little haste in paying for goods and services provided by small enterprises.

A fresh module about Environment was therefore prepared for the second seminar in Bangui. The group improved on it by suggesting the theme, including illustrations on mass training sessions in the villages and suburbs. The idea was to accentuate the positive aspects of close family ties by comparing the new enterprise to a newborn baby in need of love, care and attention in order to encourage his growth and who, in turn, would subsequently nourish and bring prosperity to the family and the village.

The Bangui group came up with an unexpected request: the women felt an urgent need to understand such notions as inflation, the difference between production and productivity or between the trade balance and the balance of payments. At first, the reasons for this curiosity were not evident, but after a discussion they became clear. Many of these women, as a result of their success in business, had been periodically asked by the administrative authorities to participate in meetings (for example, committees for the elaboration of the Plan) and to give the women's viewpoint. In a minority of one to ten around the table, they were often lacking in confidence and their male colleagues did not miss an opportunity to reduce them to silence by advancing some economic theory in sentencious and obscure terms. The women themselves were intent on demystifying the sophisticated vocabulary used by men in positions of power.

The Libreville group also made a positive contribution to the progressive elaboration of the programme. Since Gabon is relatively developed in terms of the evolution of small enterprises (Ministry for small and medium-sized enterprises; legislation on these enterprises; "PROMOGABON" extension services; a guarantee fund, etc.), such questions as bank credits and requests for loans were studied in some depth. Moreover, an abundance of mass media (several radio and TV networks) has stimulated the demand in the advertising sector. In addition, the creation during the seminar of an "Association des Femmes d'Affaires Gabonaises" (Association of Gabonese Businesswomen) led to the need to know more about the management of associations, the profitability of training services (with a specific case) and the training of male and female trainers.

The Banjul seminar probed more deeply than the others into the subject of training trainers. In fact, after a two-day training period, a group of seven male and female trainers successfully took over before the group of women entrepreneurs, addressing them directly in the Wolof language, without any outside assistance.

Following all these various contributions, the programme was finally put to the test in Abidjan in its definitive form as summarized in the Annex. In short, this programme - conceived not only through the intuition and experience of its authors, but also as a result of considerable advice from numerous informers - benefited increasingly from the feed-back and support of more than 200 women entrepreneurs, trainers and extension services officers concerned with the advancement of women, etc. Many days of formal interviews would have been required to obtain the same result. As to the choice of the sample, what more can be done with a category of persons who have not been registered or indexed by any authority, for whom no reliable statistical data is available, and who do not even have any fixed place of residence, to such an extent that

the informal sector has been dubbed the "unenumerated sector".[10]

Even if methodological orthodoxy on training needs assessments has not been followed, the curriculum is by no means the result of "shooting in the dark!" It is not by accident that financial management has been approached from the viewpoint of costs, break-even point, amortization, depreciation and selling price setting. It is market demand that has compelled the adoption of this approach. Neither is it by chance that the sections on bank loans and accountancy are optional. It is up to the trainer to judge whether or not the group is able to integrate these questions. All this may displease a great number of trainers, consultants and experts, but we are not there to please ourselves. There is no point in teaching book-keeping to those who are confused by the decimal system (simple as it is) because they are accustomed to count in multiples of five, and they do it very well, as with the five fingers of the hand. Our "bar-keepers" are no different when they sell on credit and chalk up debit accounts ///. Even for more literate groups, teaching accountancy can, for cultural reasons, be tantamount to beating the air. The minicase of "do 2 and 2 make 4 in all cultures?", an appropriate point in the above context, is detailed later on.

By contrast, if much space is given in this curriculum to the "tontines", or saving kittys, it is because this is a good platform for introducing such ideas as guarantee and participation funds to the group.

Equally, it is not by chance that an analysis of family environment constraints ranks first among the major concerns of the method. Without this as a starting point, there is small chance of making much progress in the study of techniques. And the fact that we do not touch the question of production and maintenance management is also no accident. Our public usually does no manufacturing. But, we shall have to deal with the subject for other publics. There is also a good reason for the absence of any mention of the management of human resources. Simply because the need did not arise since virtually none of our participants employ staff.

If there is no reference to concepts such as "the life cycle of products", this is due to the fact that after having tried to deal with the subject, we sensed it did not have any bearing on scarce or survival economies. The life cycle of cassava makes little sense as does the saturation phase of the sweet potato. Similarly, there is no mention of leadership or motivation. These are distinctly cultural themes best left to the Africans themselves to handle. For example, an exposé on Maslow's scale of motivations would normally produce a chorus of laughter or sheer boredom among societies not yet on the first rung of the ladder (i.e. subsistence needs), but who nevertheless have not been slow to reach the top echelons in terms of prestige and aesthetic needs. And finally, chance played no part in our decision to deal with management from the standpoint of forecasting and time mastering. This enabled us to identify with a situation only too familiar to our women participants: pregnancy. Whatever patterns prevail where the time factor is concerned, women are better equipped than men to look ahead, plan and manage, simply because they have physiological cycles which compel them to measure the passing of time. Even the most deprived mother knows that in nine months she must provide a basket or a mat for the baby to sleep on. Not a bad exercise in training for business.

[10] K. Hart: "Informal income opportunities and urban employment in Ghana" in *Journal of Modern African Studies* (London, March 1973), pp. 61-89.

Do 2 and 2 make 4 in all cultures?

My baptism of fire was in the company of Mr. Diawa, a trainer in book-keeping, on a follow-up tour of his previous micro-enterprise participants. I knew that management techniques had to be adapted to different cultures but thought this did not necessarily apply to accountancy. After all, 2 plus 2 make 4 everywhere. I was soon obliged to have second thoughts. Mr. Diawa was depressed to find that his best alumni were not keeping their book correctly. "But you Samba, you were my best student! You mastered the techniques, you are sold on the idea of transparent management and yet you are not keeping your books! Can you explain this to me?" "The fact is that my uncle passed by and saw the books. Then he said "what's this all about. You are making a profit and you have not told me about it. Yet you know that your cousin is going to do his studies in the capital and that we are in need." At that point I decided not to enter up my accounts anymore".

I saw Mr. Diawa two years later. He was no longer in training but had set up a carpentry business. "No need to worry about you" I said. "I feel sure you are practicing what you preached for so long. I won't even ask if your accounts are in order": "Alas" he replied. "I don't keep any accounts; I too have uncles". Then he added: "at the end of my first financial year, the tax inspector came to examine my books. They showed a solid profit, let's say 1000. He said: "but you would be crazy to declare that kind of profit. Just declare 500 and we will do a deal on the rest. It will remain strictly between us": So I stopped keeping my books and went back to the lump sum system which is more profitable. And why should I hide it from you? I get a lot of fun in haggling with my tax inspector!..."

III. MANAGEMENT TRAINING IN THE INFORMAL SECTOR

IS IT EFFICIENT ?

There is no doubt that management training in the informal sector is possible. This has been shown in the case study mentioned previously. But what were the costs and results of these five test seminars and what conclusions can be drawn on the cost/benefit ratio of such training?

3.1 Costs. Case study (continued)

The costs of the methods tested can be looked at both from the historical and planned points of view.

From the historical point of view the investment made by ILO to conceive and elaborate the pedagogical tool can be calculated on the basis of a five-month salary by an international expert, or 40.000 dollars, to which should be added another 10.000 dollars for the drawings and printing, making a total of 50.000 dollars. In practice, only the 10.000 dollars were really expended since the expert is a permanent staff member of the ILO who receives a monthly salary whether he performs this work or another. But it is sound financial practice to attribute the time he spent there on the method tested since, had he not done this, he would have done something else.

To date, 140 participants and ten women trainers have benefited from the method during an average of three days, making a total of 450 days/participants. Consequently, if it had been essential to apply the real price and recuperate the entire investment, each of the participants would have been charged 110 dollars per day for these investment costs. But these expenses can be spread over a much greater number of beneficiaries. At the present time, even without any publicity, there is a waiting list for seminars in Guinea, Niger, Mali, Mauritius and Zaire which would in no time double the number of beneficiaries and, as a first step, reduce the amortizing cost to 55 dollars per day/participant.

As regards the variable costs of the seminars, they consist of the salary, travel and subsistence expenses of the trainers. If an international expert is involved, the costs can amount to 3.000 dollars per seminar, including transport and per diem allowance. Other variable costs being negligible (photocopies or hiring rooms), the variable costs for the five seminars can be put at 15.000 dollars, or 33 dollars a day per participant. They were mainly paid by the UNDP within the context of wider ranging technical cooperation projects which sponsored the seminars.

In all, if the total cost approach had been applied, the daily price per participant would have amounted to 110 + 33 = 143 dollars, but this would have been totally unrealistic. Simply by meeting the current demand, the cost can be brought down to 55 + 33 = 88 dollars, which is still out of question. What then is the economic future as far as this method is concerned?

From the planned budget point of view, it can be calculated that, if the effort is sustained and organised, 40 African countries would each agree to receive 10 of the 3-day seminars with 25 participants at each, representing a potential market of 400 seminars, 10.000 participants and 30.000 days/participants for the region (see table 1). In this event, the initial investment costs (50.000 dollars) would fall below 2 dollars per day/participant, or more precisely 1.7 dollars. These estimates are based on experience (Guinea alone has contracted for five test seminars). They deserve closer examination and are in fact hypotheses still to be tested.

Table 1. Volume of planned activity

Target by number of countries	40
Number of seminars by country	10
Number of participants by seminar	25
Number of participants by country	250
Number of days per seminar	3
Global estimate for region	
- by number of seminars	400
- by number of participants	10 000
- by days/participants	30 000

The variable costs (estimated at 33 dollars per day/participant) could also be considerably reduced through the use of volunteers and local consultants. A volunteer with a salary of 1.500 dollars a month, including travel and housing, who holds two seminars a month, followed by individual consulting, would cost 10 dollars per day/participant. A volunteer could cover two countries and 20 volunteers in Africa would be enough to achieve the quantitative objectives each year as listed in table 1.In brief, the total cost per day/participant would be 10 + 1.7 = 11.7 dollars which can be rounded up to 12 dollars, taking into account the training of volunteers in this method. Once again, the historical cost is theoretical since the investment actually only involved an expenditure of 10.000 out-of-pocket dollars. However, we preferred to talk in terms of total costs so as to put ourselves in the shoes of a private enterprise buying the know-how from ILO, and we also wanted to develop our reasoning to its logical conclusion by giving a positive answer to the question: is all this a profitable exercise? Tables 2 and 3 are a recapitulation of the figures given above.

Table 2. Initial investment (in US dollars)

UNDP INVESTMENT

Costs to date	Travel, per diem and the time (variable) of an international expert devoted to 5 three-day seminars	**15 000**

ILO INVESTMENT

(up to 31.12 88)

Costs to date	Time of a staff member of the ILO paid on a monthly basis for the conception and elaboration of the pedagogical tool (5 months)	40 000
	Expenditure: drawings and printing	10 000
Total		**50 000**

Table 3. Planned costs (in US dollars)

The underlying assumptions are: Amortizing the initial ILO investment in one year, continuing the pedagogical investment at the same level and using volunteers, based on estimates in Table 1.

Costs of pedagogical investment	US$ 2.00 per day/participant
Operationnal costs	US$ 10.00 per day/participant
Total	**US$ 12.00 per day/participant**

We therefore reach the amount of 36 dollars for a three-day seminar for each participant (with the right to a minimum of follow-up consultancy).

But who has the resources to pay 12 dollars per day for the seminars, assuming that the State, cooperation agencies, national institutions or NGO's cannot or will not finance them and that, as a result, the burden falls on the beneficiaries themselves? Twelve dollars a day and 36 dollars for the seminar is an enormous amount for a small informal enterprise or a simple saleswoman in the market place. But it is not totally out of the question. In such countries as the Cameroon, the most humble vegetable or fruit stall holder runs every evening to deposit 100 F.CFA (about 0.33 dollars) in his savings kitty, "tontine". However, most people do this once a week or even once a month. In June 1986, a large tontine in Yaoundé, stipulated weekly contributions of 1.000, 2.000 and 5.000 F.CFA from its members depending on their financial means. (Respectively 3.3, 6.6 and 16.5 dollars approximately). Based on an average amount of 4 dollars a week, a seminar costing 36 dollars would represent nine weeks (two months) of the savings capacity of a woman working in the informal sector.

The amount is indeed enormous but, as mentioned, not out of the question, and participants could certainly pay if they are clearly convinced of the advantages, that is to say, if their future private benefits exceed their total private cost (training plus income foregone). The fifth seminar in Abidjan is very encouraging in this context since the organisers asked for 3.000 F.CFA (about 10 dollars) for the seminar. There were 60 inscriptions. The candidates were so satisfied that if their reactions are passed by word of mouth and a follow-up by a consultant can be counted on, the rate could be substantially increased on future occasions.

Needless to say, the quality must be irreproachable and proven by a rapid improvement in performance. After all, the 36 dollars are not the only sacrifice made by the participants. There is also the question of income foregone. No-one can be in two places at once and three days attendance at a training course does nothing to help turnover. Hence the problem of evaluating the seminars. What were past results and what can be expected in the future as a guarantee that the participants will have full value for their money?

3.2 Results: Case study (continuation and end)

Evaluating the training, arouses controversial and conflicting views. Everyone agrees on the need for evaluation but when, how and in relation to what? The evaluation can be made right away at the end of the seminar or at a later stage; it can be formal or informal, quantitative or/and qualitative. It should be made on the basis of pre-established objectives and, as much as possible, be measurable. In Libreville, for example, the seminar objectives were stated in writing as follows: "contribute to income-generating employment for women by creating sensitivity towards management among women involved in micro-enterprises". But in the absence of reliable statistics on employment and wages in the informal sector, and without indicators to measure performance and a follow-up procedure, it was impossible to measure the success or failure of the seminar in terms of the pre-established objectives.

Moreover, one of the remarkable features of training is that it reveals latent needs and thus points at objectives which were not recognized at the point of departure. The Libreville seminar may not have achieved its pre-established objective of creating jobs but it did have an unexpected result which had not been included in the formal

objectives: in serving as a catalyser for the creation of a "Gabonese Business Women's Association" which is still very active today and stemmed from coffee breaks during the seminar. By the same token, the Bangui test seminar was positive inasmuch as it led to a request by the group for more understanding on macro-economics. The demystification of the sophisticated vocabulary used by men in positions of power was not initially one of the formal objectives of the seminar. And yet, who will ever be able to measure in quantitative terms the remarkable informal evaluation made six months later by Rose, a fast food owner, when she approached the trainer and said: "I just have to thank you, Sir. I no longer feel nervous at meetings. I realised that men also confuse the terms production and productivity, trade balance and balance of payments and that they know nothing about the mechanisms of inflation... The days when they could reduce me to silence are over".

Formal evaluations were made at the end of the seminars on three occasions. In Libreville (where the illiteracy level was unusually low) through a written questionnaire and, in Banjul and Abidjan, orally at a round table meeting. In Libreville, 100 per cent of the participants expressed that the seminar had been valuable (76% said enormously so and 24% that it had been very useful); 74% said that the knowledge they had acquired will be applicable in their business affairs immediately. The pedagogical material was judged excellent by 65% and good by 25%. In Banjul, the main oral reactions were the following:

- "It was not at all boring
- We would like the course to be longer
- We need a course like that once a month
- We would like it followed up on the radio, TV and in theatre
- We should bring our husbands to these seminars
- We need a follow-up by consultants
- The pedagogical methods and material were excellent."

But of special significance is this reaction which touches on the essential idea of the cost/benefit ratio:

- "We suffered a loss of income during this seminar and our turnover dropped. But it was an investment. We learned so much that our return for it will be a hundredfold!"

The best qualitative evaluation emerged from Abidjan in such glowing terms that it was taken up in the local newspaper: "Before coming here, I simply sold a pile of articles so as to survive. But now, for the first time, I really sense what it is to be a businesswoman and realise that I am performing a respectable and useful occupation".

There was no immediate evaluation of the seminar in Bangui, but one year later, the major project, of which it was a part, was minutely studied by a tripartite mission (Government/UNDP/Executing Agency) in accordance with standard UNDP regulations. The following paragraph is noteworthy:

"The number of training seminars was in excess of the original plan. It is however difficult to measure their impact. The two concrete exceptions are the Pisicultural Centre of Landja... and the initiation courses into management of 16 women entrepreneurs which led to the simplified keeping of books and stocks". Such a result could not have been achieved simply through a 3-day seminar. On this occasion,

there was a very thorough local follow-up by the national and international experts involved in the project."

In Malabo, the marketing seminar, the first of its kind, was a small part of a much more embracing seminar which lasted for two months and dealt with a range of topics of major interest to women such as agriculture, cattle breeding, mother-child hygiene, vaccinations and nutrition. The evaluation therefore concerned the entire seminar and it is not surprising that the marketing section was not singled out since it represented only 5 per cent of the overall programme. And yet, in the consolidated report by the ILO Chief technical adviser, there is a reference to the "material didáctico sumamente adecuado" (extremely relevant pedagogical material). Also to the credit of the marketing seminar is the fact that the project of which it was a part, which was specifically designed to give added impetus to the management of the Ministry of Promotion for Women was, in 1987, transformed into a project with much clearer commercial objectives, as is indicated by its title "The promotion of commercial and productive activities by women".. May be it stemmed from the seed sown in 1983. Finally, the evaluation of the test seminar in Equatorial Guinea is illustrated below by the authentic mini-case of "Dolores, agent of change". This is a superb example of a non-measurable but still vital impact of training.

Dolores agent of change

Who could possibly measure this result in statistics and put it into a report analysing the cost/benefit ratio?The *ILO* seminar for the 30 or so women elected to take responsibility for the promotion of women in all regions of the country was strongly supported by the President. He declared in an important broadcast speech: "The development of our country will be achieved through our women or there will be no development". He had consistently backed up his Secretary of State (Doña Purificación) in the promotion of women (later to become a full-fledged minister). During the course of a moving ceremony at the close of the seminar, The President insisted on delivering the diplomas as agents of change ("agente de cambio") which had been drawn up for the participants.

The effects were soon to appear. The delegate from the South, Dolores, returning to her city immediately after the closing session of the seminar, came upon a familiar scene. Two policemen had seized a fish from the hands of a stallholder and were trying to avoid paying simply because they were wearing a uniform. The woman selling the fish protested and people crowded into the market place, but without much conviction since this kind of scene always ended in the same way: "the strongest always gains the upper hand". But they had not counted upon our fiery delegate who had just been declared an agent of change. She cut through the crowd and thrust her brand-new diploma under the nose of the two dishonest policemen. "You cannot carry on like that. Look at this document. It is a diploma to certify that I am agent of change which has just been given to me by the President of the Republic himself during an event which you were all able to hear on the radio. Look at this. It's the signature of the President. He wants change and I am here to see that it is carried out. Give the fish back to the woman. You know very well that you have no right to take it without paying". Impressed by so much passion and the inscriptions, signatures and stamps on the diploma, the two men gave back the fish and made a pathetic withdrawal as the crowd, which had regained its courage, murmured reprovingly. It was not exactly clear what an agent of change meant but it was better to see which way the wind was blowing and go in the same direction.

As this review comes to an end, there is an inescapable feeling that the weak point in the five seminars was evaluation. The reason for this is quite simple: the seminars were never a project in themselves. They were merely occasional activities as part of much wider projects which were not mainly concerned with the promotion of income-generating informal activities of women. The evaluations which were subsequently made concerned the project as a whole and only touched incidentally on the seminars which were rather like a cuckoo coming to rest in another bird's nest. In a similar way, any control of follow-up activities was beyond the scope of those who promoted the test-seminars. The numerous favourable reactions and the occasionally identified concrete results are still very encouraging. But are they encouraging enough to be able to assert: yes the seminars were well worth the efforts? Why would hard-working women give up two months' savings capacity to follow a 3-day seminar with uncertain results? They have many other urgent demands competing with training, and it is up to them to set their priorities. We know the costs. As to the results, we have just seen that they are mainly positive although they cannot be set down precisely in terms of figures. Can the cost/benefit ratio of the method be more clearly defined?

3.3 Cost/benefit ratio

An analysis of the cost/benefit of training activities combines the costs (including income foregone) with an estimate of earnings and productivity of the trainees compared with those of a control group which has not followed the same training. In our case, we have been able to calculate the costs (excluding income foregone) but not the earnings. To do this, the women themselves should have an idea of how much they earn. This is seldom the case and, in fact, one of the first recommendations of the seminar is to encourage them to fix themselves a salary in their own small business and to separate their personal purse from the funds of their enterprise. This explains why we have chosen to talk in terms of savings capacity rather than earnings since they often know better what they save than how much they earn. The "tontines" (savings kitty) have treasurers and secretaries who keep the books. The members sometimes have a savings deposit book. In short, in this informal world, the tontines, despite their legitimate desire to preserve secrecy, are a reliable source of information provided that access to them is possible.

But it should be possible to go further in calculating the benefits of training in terms of earnings and turnover and thus draw from these data the desirable level of return on investment to be reached. A simple example follows:

Let us consider drawings 3, 4 and 5. They are used in the seminars in order to introduce the question of client loyalty and market research, but they are also of great value to us in defining more closely the cost/benefit ratio of these seminars.

The big man on his own who is buying and savouring the two mangoes at home appears to be a happy and satisfied client. There is every chance that he will repeat the exercise and become a loyal client. The merchant has built"consumer loyalty", as the current marketing jargon says. She has even gained a publicity agent since, in figure 4, he is passing on a good word to a friend. Alas! The merchant missed making a loyal new client of the latter. What a pity, with such a very large family! The big man on his own only bought two mangoes, so it was difficult to slip him a bad one. But as the large family bought five kilos at a time, the merchant thought that a few rotten ones tucked at the bottom of the bag would remain undetected. That's how to lose an important client! The story is authentic and the characters in it are not

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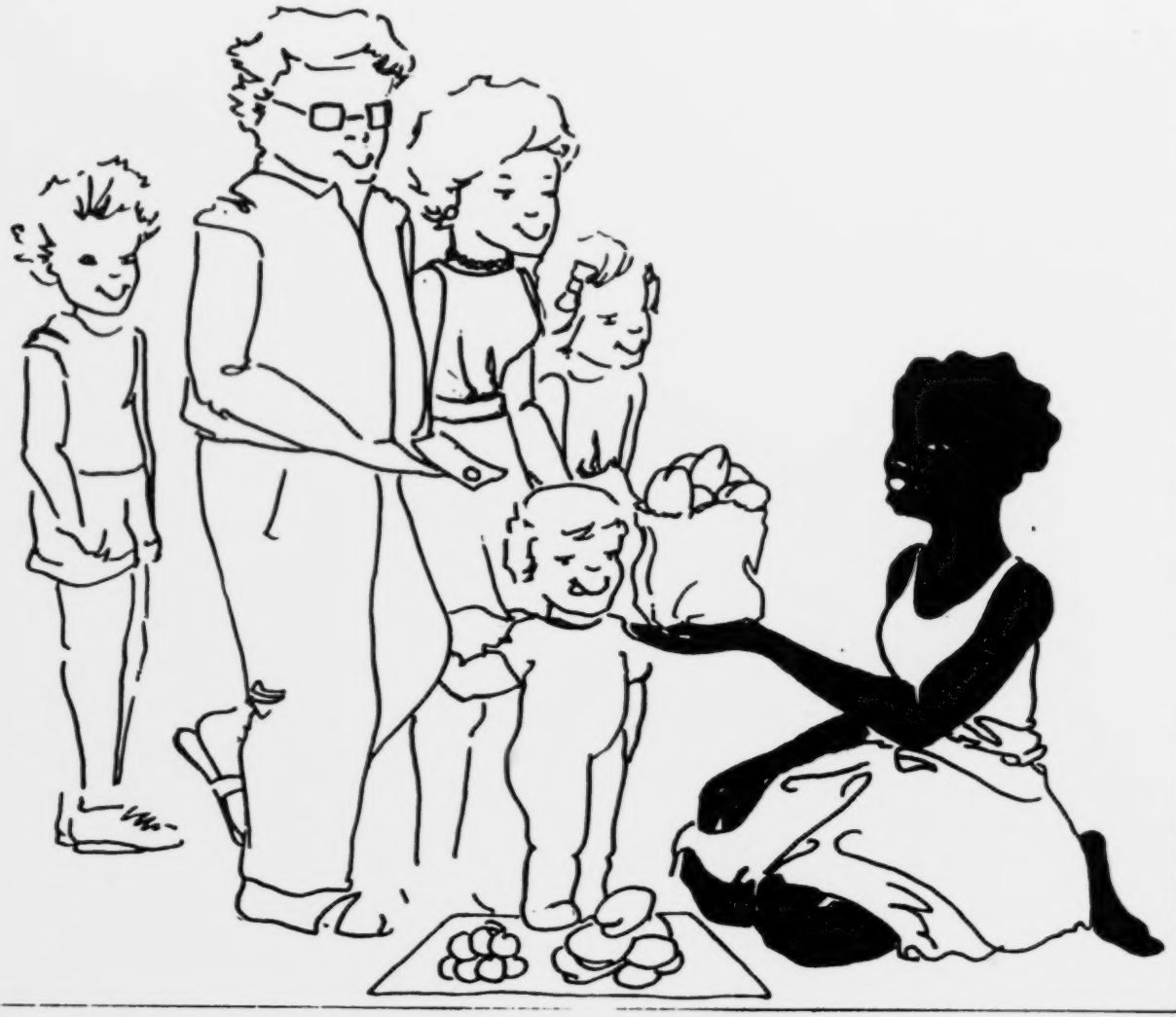
21b



figments of the imagination. Moreover, women in the five test-groups were very frank about this: they do it every day and were not the least bit surprised to see it portrayed in the illustration. They were encouraged to discuss the question of what they should have known about this large family and how they should have set about making a brief survey of this "market". In addition, and this is what matters most to us in this case, they were asked to calculate the income foregone since the merchant had foolishly let a regular income go by the board. For one year, she would have been assured of a turnover of 1.000 F.CFA per day, 360.000 a year if she had learned to analyse her market (and if she had been able to win the loyalty of her clientele); 360.000 F.CFA are equal to an annual turnover of 1,200 dollars. With a modest net profit of only 3 per cent, this single client would have more than covered the merchant's annual seminar costs of 36 dollars.

Even the smallest businesswoman understands the logic of this. The drawings were circulated in Malabo and Abidjan as well as Bangui, Libreville and Banjul. Some of the participants were kind enough to tell us that they had changed their habits after the seminar and had obtained new clients. It is this kind of evaluation by results that should be systematized in the future. In the meantime however, there are many reasons to assume that the courses were efficient enough to allow each participant to acquire and keep at least one extra big customer well able to cover the 36 dollars of net profit and thus pay for the training course.

CONCLUSION

Management training in the informal sector is desirable, subject to certain reservations (neither alone nor immediately) and is certainly possible under certain conditions (with the appropriate methods and the right profile of trainer). Does it pay off? There are strong reasons to answer this question with YES. It is certainly worthwhile for participants who recuperate their 36 dollars quickly. It can also pay off for trainers offering their services at 12 dollars a day per participant. However, a final YES has to be tested by a more scientific approach. Two hypotheses based on experience and intuition are to be studied thoroughly: first, the evaluation of future seminars should be more systematic and look at results in terms of turnover, profits and employment. Second, the planned level of activity given in table 1 should be reviewed and analysed, given that there is a charge for this training. The fact that a number of countries are now anxious to host the seminars is maybe because they are free of charge.

Recently, the Republic of Mali, obliged like many other countries to keep a strict watch on balancing its budget, terminated a nurse's contract as part of a staff reduction programme for public service personnel. Since they were so satisfied with the services of this nurse, the local communities decided to go on paying her, despite their meagre resources. The poorest are often prepared to make extra sacrifices because the benefice they recover is evident. It would be pleasant to imagine a situation in which a handful of unemployed graduates with genuine serious and adaptable attitudes were rapidly trained in the method and contents and then set off for the bush and remote areas to preach the gospel of management to their brothers and sisters in such an efficient way, that the participants would be only too happy to pay the seminar fees out of the extra profits they derive from their instruction.

But before reaching this point, a second phase of seminars is essential. It must be preceded and followed up by research work on cost/efficiency. Indicators have already been put forward in this article (savings capacity, number of loyal clients), but others remain to be identified. This will be the subject of a future publication.

ANNEX

Summarized content of the seminars in basic management training for women engaged in income-generating activities in the informal sector.

FIRST PART: THE ENVIRONMENT (4 hours)

1. The enterprise and the community

- The enterprise, a source of wealth
- Links between the enterprise and the environment

2. The enterprise and the individual

Physical and corporate bodies: the two roles of the entrepreneur.

Conclusions: avoid any confusion between the till of the enterprise and the personal purse; the entrepreneur must fix himself a salary.

3. The enterprise and the family

- The problem of selling on credit to friends and family. Cultural constraints. Some solutions:
  - Setting up cooperatives
  - Mass education
  - The ritual of consumer credit

4. Economic environment (optional) (2 hours)

- Production and productivity
- Trade balance and balance of payments
- Inflation

SECOND PART: MARKETING (8 hours)

1. Market research

1.1 Why a preliminary study of the market?

- Because "you can lead a horse to the water but you can't make it drink" (no market or market saturated); you cannot make somebody drink if he is not thirsty;
- Because "you don't sell combs to a bald man" (inadequacy product/market)
- Because you should avoid following the crowd. Seek new market segments.

1.2 A market survey. How?

- Observation - What information is needed?
- Taking a census - qualitative analysis: motivations and brakes
- Surveying the market - a representative sample
- Questionnaires and interviews. Tests

2. Marketing

- The product - the range of products - selling prices - distribution
- The presentation of goods
- Quality control - building consumer-loyalty
- The art of selling - "The alternative technique"
- The various medias - communication, advertising

THIRD PART: FINANCIAL MANAGEMENT (12 hours)

1. The "break-even" point

- Variable costs and fixed costs. Depreciation
- Contribution. Break-even point. Profits
- "Fast-food" case: calculation of different break-even points through varying prices and the client volume (elasticity of turnover according to the selling prices)

2. Request for loans (optional) (4 hours)

- The fast-food case becomes more complicated. The client wishes to buy a freezer and a car and a request for a loan is introduced to the bank
- Investment, depreciation and amortization plans
- Forecasts

3. The case of "loincloths in the Côte d'Ivoire"

- Fixed and variable costs - break-even point (recapitulation)
- Goodwill
- Working capital

4. Case study

- The break-even point in training associations and institutions.
- The case of the APPF (Association for the Professional and Personal Promotion of Women). Optional (4 hours).

5. "Tontines" (savings kittys)

- A general presentation. Concrete cases
- The role of the "tontines" in financing micro-enterprises

6. Accountancy (optional - 4 to 8 hours)

- General book-keeping. The principles of double entry accountancy
- Accounts - books - the cash register
- Budgeting
- The balance sheet and loss and profit account

FOURTH PART: MANAGEMENT (2 hours)

Time planning

Forecasting

In preparation:

- Purchases and stocks
- Production and maintenance

Note:

The duration given for each part of the above is merely indicative. Also to be taken into account are the hours for the optional courses which apply only to a group at a certain level of education. It is up to the trainer to decide whether the market is ripe for these sections.

The complete trainers manual with texts and illustrations will be published by the ILO in 1989 under the title: "Towards better management in the informal sector in Africa - pedagogical drawings and directions for use" by Daniel and Pascale Bas.